

Gyette  
5/9/03

# Everything's on the table

by Michael L. Subin

Today we are witnessing the worst aspects of federalism and the supremacy of the federal government. The president and Congress are sloughing off projected deficits in the hundreds of billions of dollars as unimportant.

In the meantime, they are crafting new tax cuts that disproportionately benefit the wealthiest, while not funding mandates such as "No Child Left Behind" and under funding programs such as Head Start. Moreover, the state has decided that the Children's Health Initiative Program is unnecessary.

The new motto of federal and state government vis-à-vis local government is "We say, you pay."

Those of us who serve on the local level aren't so lucky. We actually have to match our needs with the resources available — and produce a balanced budget while funding the mandates the feds so gleefully take credit for.

Given the slowdown in the economy and losses of jobs and income, the lingering effects of Sept. 11, and the uncertain international situation, state and local governments nationwide are facing significant shortfalls in revenue.

In Montgomery County, that has meant closing a \$321 million gap out of a total budget of about \$3 billion. The state has been no help — taking away \$34 million in highway funds, teacher grants and other core needs — with the prospect of significant-ly more cuts in local aid to come if Gov. Robert Ehrlich carries out his threat to veto legislation that eliminates corporate tax loopholes.

County Executive Douglas Duncan has proposed increasing the local income tax from 2.95 percent to the legal maximum of 3.2 percent. He wants a 3-cent per \$100 assessed value increase in the property tax, with the funds to be dedicated to traffic congestion relief. Proposals to increase the county's energy and telephone taxes, hike our development impact tax, and even slap an excise tax on videos have been proposed.

All county departments have been called on to

"... There is enough pain in this budget for everyone — county taxpayers, business people, senior citizens, parks users, you name it. That pain has to be shared."

tighten their belts, notwithstanding increased needs in the public safety, emergency preparedness and human service sectors. The budget includes reductions in anticipated library and recreational programs and the people who work at these jobs, as well as coming in \$34.5 million below the Board of Education's request for the public schools.

We will increase some taxes, though probably not the proposed 3-cent increase in the county property tax, given that the state has already hit us with 5-cent increase. Valued programs will be scaled back. But increasing revenue and cutting expenditures won't close the gap.

That's why any serious proposal to match resources with needs also has to put compensation on the table. Nearly 80 percent of county spending goes to pay nearly 33,000 employees. How can 80 percent of our budget be absolutely "off-limits" given our dire budget straits?

We value the achievements of county employees — be they teachers or police officers, bus drivers or firefighters, nurses or librarians. We pay them well and they deserve every penny. And the whole council supports collective bargaining and is loath to ad-

just any labor agreement signed in good faith.

Still, delaying the scheduled cost-of-living increase for county workers for six months would yield \$29 million. A one-year delay would bring in \$59 million. And most employees would still get their scheduled "step" increases in the interim. Interestingly, the 12-month schools COLA is \$37.6 million, which would close their budget gap.

State government workers are getting no COLAs and no steps for the second straight year. Fairfax County has cut its COLA. Baltimore County workers are receiving no COLA.

In an unfortunate diatribe launched last week, the teachers' union president rejected any adjustment as "dangerously unbalanced." Shockingly, he suggested cutting back on council and school system efforts to reduce class size and introduce all-day kindergarten in order to ensure that teachers get their scheduled COLAs. Does he really want to put that choice to a vote of county parents — or even teachers? Give me a break.

It's time to cut the rhetoric and come to the table. There is enough pain in this budget for everyone — county taxpayers, business people, senior citizens, parks users, you name it. That pain has to be shared.

And, we have to go beyond the "here and now" to seriously look at our budget and workforce.

That's why I'm working with the unions representing county employees on two task forces to take a hard look at workforce sustainability and health benefit costs. We are facing structural not transitory changes and we must come to grips with that.

Together, we can separate our "needs" from our "wants" — the things we've got to do from the "nice to do." The only fair way to do it is to make sure everything's on the table.

Michael L. Subin (D-At large) of Gaithersburg is president of the Montgomery County Council. He chairs the Education Committee and is a member of the Public Safety Committee.